**Alexander Hamilton’s Report on Manufactures, 1791**

**Introduction**

As we discussed, one of Alexander’s Hamilton's objectives was to create a Bank of the United States, modeled after the Bank of England, to issue currency, collect taxes, hold government securities, regulate the nation's financial system, provide funds in the event of a national emergency, handle government debt payments to foreign and domestic creditors, and make loans to the government and private borrowers. This proposal, unleashed a storm of protest. Despite the bitter opposition of such figures as Jefferson and Madison, Congress succeeded in chartering a Bank of the United States. The final segment in Hamilton's economic program was a proposal to aid the nation's infant industries.

**Directions**

Translate each segment of Hamilton’s “Report on Manufactures” to your own words. Remember our focus - What were Hamilton’s predictions for the economic structure of the United States?

**“Report on Manufactures” Your Translation**

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| The expediency of encouraging manufactures in the United States, which was not long since deemed very questionable, appears at this time to be pretty generally admitted....  There still are, nevertheless, respectable patrons of opinions, unfriendly to the encouragement of manufactures. The following are, substantially, the arguments, by which these opinions are defended. |  |
| "In every country (say those who entertain them) Agriculture is the most beneficial and productive object of human industry. This position, generally, if not universally true, applies with peculiar emphasis to the United States, on account of their immense tracts of fertile territory, uninhabited and unimproved.....” |  |
| "To endeavor by the extraordinary patronage of Government, to accelerate the growth of manufactures, is in fact, to endeavor, by force and art, to transfer the natural current of industry, from a more to a less beneficial channel. Whatever has such a tendency must necessarily be unwise. Indeed it can hardly ever be wise in a government, to attempt to give a direction to the industry of its citizens. This under the quicksighted guidance of private interest, will, if left to itself, infallibly find its own way to the most profitable employment....” |  |
| It ought readily to be conceded, that the cultivation of the earth--as the primary and most certain source of national supply--...has intrinsically a strong claim to pre-eminence over every other kind of industry.  But, that it has a title to any thing like an exclusive predilection, in any country, ought to be admitted with great caution....  It might...be observed...that the labour employed in Agriculture is in a great measure periodical and occasional, depending on seasons, liable to various and long intermissions; while that occupied in manufactures is constant and regular, extending through the year.... |  |
| Manufacturing establishments not only occasion a positive augmentation of the Produce and Revenue of the Society, but...they contribute to rendering them greater than they could possibly be, without such establishments. These circumstances are...additional employment to classes of the community not ordinarily engaged in the business.... The promoting of emigration from foreign Countries.... The furnishing greater scope for the diversity of talents and dispositions which discriminate men from each other.... The creating in some instances a new, and securing in all, a more certain and steady demand for the surplus produce of the soil.... |  |
| There remains to be noticed an objection to the encouragement of manufactures, of a nature different from those which question the probability of success. This is derived from its supposed tendency to give a monopoly of advantages to particular classes at the expense of the rest of the community.... |  |
| There seems to be a moral certainty, that the trade of a country which is both manufacturing and Agricultural will be more lucrative and prosperous, that of a Country, which is, merely Agricultural.... |  |
| It is not uncommon to meet with an opinion that thought the promoting of manufactures may be the interest of a part of the Union, it is contrary to that of another part. The northern & southern regions are sometimes represented as having adverse interests in this respect. Those are called Manufacturing, these Agricultural states; and a species of opposition is imagined to subsist between the Manufacturing and Agricultural interests. |  |
| The idea of an opposition between these two interests is the common error of the early periods of every country, but experience gradually dissipates it....If the northern and middle states should be the principal scenes of such establishments, they would immediately benefit the more southern, by creating a demand for productions.... |  |

**Answer the focus when complete:**

What were Hamilton’s predictions for the economic structure of the United States?